

Press Release

## The So-Called “People’s Budget” Will Neither End Our Economic Misery, Nor Fund the Liberation of Occupied Muslim Lands

The so-called “people’s budget” will fail to end our economic misery because the rulers are solely focused on getting IMF concessions, in exchange for abandoning Occupied Kashmir to Modi and maintaining the US regional security footprint, after America’s humiliating withdrawal from Afghanistan. The so-called “people’s budget” spends more than half of the collected taxes on interest payments alone, whilst reducing the defense budget in real terms. Mercilessly, it has increased the proportion of indirect taxation, which must be paid by even those poor and indebted who are entitled for Zakah. Moreover, the “people’s budget” is plundering the pockets of the people through alarming rates of inflation, due to the IMF policy of weakening the Rupee to maintain dollar hegemony.

The so-called “expansionary budget” is part of a vicious cycle that has been going on for decades, under one government after another. The deficit of dollars, represented by the current account deficit, is met by borrowing more interest based loans, through the IMF, the Paris Club and the issuing of treasury bonds. Under this program, in order to conserve dollar reserves, imports are slashed by making them more expensive through lowering the value of the currency, unleashing a storm of inflation within the country. Interest rates are then raised under the cover of controlling inflation, merely to increase the income of usurious loan creditors, further straining our economy. The so-called “people’s budgets” then seek to improve demand, after the collapse of the country’s economy through deliberate demand contraction. However, such budgets only again increase the current account deficit. So this vicious cycle will continue, with every government shifting blame upon the previous one, before drowning Pakistan in more interest-based debt.

Even though Pakistan is blessed with immense resources, the colonialist IMF policies will never allow us to establish a strong independent economy, which can both lift us out of hardship and fund the liberation of occupied Muslim Lands. Simply refusing to pay interest would triple Pakistan’s federal development budget and double the defense budget! Breaking the cycle of dependency on interest-based loans will in itself end the need to take on more interest-based debt, as well as end the need for the continual devaluation of the currency. Moreover, a currency based on gold and silver will end Pakistan’s destructive dependence on the dollar, whilst stabilizing prices. The abolition of indirect taxes and placing the power sector under government supervision would significantly reduce poverty, by removing a huge strain on the people’s household budgets. Moreover, without industrialization on a revolutionary scale, no ideological state can ever eliminate foreign dependence. Just as Pakistan’s nuclear and missile program was completed in a revolutionary manner, the heavy industrialization of Pakistan will be driven by state owned enterprises, based on the requirements of Dawah and Jihad. In addition to providing food security, Islam’s agricultural policies will provide a surge in earnings from agriculture, through tying cultivation with ownership. Islam’s economic system of wealth distribution replaces the concentration of wealth in the hands of a few, with the reaping of economic benefits by all. However, this can never be whilst we have rulers that enslave us to the IMF. It is the Khilafah (Caliphate) on the Method of Prophethood alone that will make Pakistan a leading economy through the Islamic economic system. It is only then that the liberation of Kashmir and Palestine and the protection of the honor of the Holy Prophet (saw) will no longer be held hostage to economic blackmail.

﴿وَمَنْ أَعْرَضَ عَن ذِكْرِي فَإِنَّ لَهُ مَعِيشَةً ضَنْكًا وَنَحْشُرُهُ يَوْمَ الْقِيَامَةِ أَعْمَى﴾

**“Whosoever turns away from this Admonition (Islam) from Me (Allah (swt)) shall have a straitened life. We shall raise him blind on the Day of Resurrection.” [Taha, 20:124]**

#KhilafahEndsSlaveryToIMF

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